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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO**

In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric
Company
☒ Affects both Debtors
** All papers shall be filed in the Lead
Case, No. 19-30088 (DM).*

Bankruptcy Case No. 19 -30088 (DM)
Chapter 11 (Lead Case) (Jointly Administered)

**DEBTORS' OBJECTION TO THE OFFICIAL
COMMITTEE OF TORT CLAIMANTS'
MOTION TO ESTABLISH PROCEDURES FOR
DISCOVERY PRECEDING PLAN
CONFIRMATION**

Related Docket Nos. 5840

Date: March 10, 2020
Time: 10:00 a.m. (Pacific Time)
Place: U.S. Bankr. Court, Courtroom 17, 16th Floor
San Francisco, CA 94102

1 PG&E Corporation and Pacific Gas and Electric Company, as debtors and debtors in
2 possession (collectively, “**PG&E**” or the “**Debtors**”) in the above-captioned chapter 11 cases
3 (the “**Chapter 11 Cases**”), hereby submit this Objection to *the Official Committee of Tort*
4 *Claimants’ Motion to Establish Procedures for Discovery Preceding Plan Confirmation* [Docket
5 No. 5840] (the “**TCC Motion**”).¹

6 As noted in the TCC Motion, the relief relates to the Assigned Claims and Causes of
7 Action that, upon the effective date of the Plan (the “**Plan Effective Date**”), are to be assigned
8 to the Fire Victim Trust.

9 All of the discovery and other relief requested in the TCC Motion relate to post Plan
10 Effective Date matters. Indeed, the assignment to the Fire Victim Trust of the Assigned Claims
11 and Causes of Action cannot occur until, and is conditioned upon, the occurrence of the Plan
12 Effective Date. Furthermore, unlike the relief sought by the Tort Claimants Committee in
13 connection with its pending applications to retain a trustee and claims administrator for the Fire
14 Victim Trust, none of the relief requested in the TCC Motion, if granted, is likely to expedite
15 distributions and recoveries to Fire Victim Claimants. Accordingly, all discovery and other costs
16 incurred or to be incurred in connection with the Assigned Claims and Causes of Action should
17 take place after the Plan Effective Date and should be borne by the Fire Victim Trust and not by
18 the Debtors’ estates and all other economic stakeholders in these Chapter 11 cases.

19 The TCC Motion seeks to justify the incurrence of these costs as a matter necessary for
20 “Plan confirmation purposes” and AB 1054 compliance. TCC Motion at 2, 3. However, in view
21 of the fact that the Fire Victim Trust will be funded with approximately \$13.5 billion in cash and
22 equity of reorganized PG&E, it is difficult to conceive that the Assigned Rights and Causes of
23 Action could be material in this context.

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27 ¹ Capitalized terms used but not herein defined have the meanings ascribed to such terms in the
28 *Debtors’ and Shareholder Proponents’ Joint Chapter 11 Plan of Reorganization dated January 31, 2020* [Docket No. 5530] (together with all schedules and exhibits thereto and as may be modified, supplemented, or amended from time to time, the “**Plan**”).

Simply put, the appropriate manner in which to proceed is to defer all discovery relating to the Assigned Claims and Causes of Action to after the Plan Effective Date. That is when the Fire Victim Trust will have the right to pursue such claims and that is when the expenses associated therewith should be incurred. Those expenses, which are for the sole benefit of the Fire Victim Trust, should not be imposed on the Debtors' other economic stakeholders.

WHEREFORE, the Debtors request that the TCC Motion be denied.

Dated: March 2, 2020

WEIL, GOTSHAL & MANGES LLP
KELLER BENVENUTTI KIM LLP

/s/ Stephen Karotkin
Stephen Karotkin

Attorneys for Debtors and Debtors in Possession